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SAN JUAN-CHAMA PROJECT  
NEW MEXICO

**DRAFT REPAYMENT CONTRACT**

Between the

UNITED STATES OF AMERICA  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

and

TAOS PUEBLO

SAN JUAN-CHAMA PROJECT  
NEW MEXICO

**DRAFT REPAYMENT CONTRACT**

Between the

UNITED STATES OF AMERICA  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION

and

TAOS PUEBLO

THIS CONTRACT, made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

(Contract), between the UNITED STATES OF AMERICA (United States), acting through the Secretary of the Interior, Bureau of Reclamation, and pursuant to the Federal Reclamation Laws, including the Act of June 13, 1962 (76 Stat. 96), the Act of April 11, 1956 (70 Stat. 105), the Act of August 4, 1939 (53 Stat. 1187) (1939 Act), and particularly the Taos Pueblo Indian Water Rights Settlement Act of 2010 (Title V of the Claims Resolution Act of 2010, P.L. 111-291 December 8, 2010), and Taos Pueblo.

WITNESSETH THAT:

The parties for and in consideration of the mutual and dependent covenants herein contained agree as follows:

DEFINITIONS

1           1.       The following terms, when used herein, unless otherwise distinctly  
2   expressed or manifestly incompatible with the intent hereof, shall have the meaning  
3   specified:

4                   (a) SECRETARY or CONTRACTING OFFICER - shall mean the  
5   Secretary of the United States Department of the Interior or his duly authorized  
6   representative who is, as of the date of execution of this Contract on behalf of the United  
7   States, the Regional Director, Upper Colorado Region, Bureau of Reclamation.

8                   (b) TAOS PUEBLO - shall mean the sovereign Indian tribe duly  
9   recognized by the United States of America.

10                  (c) FEDERAL RECLAMATION LAWS - shall mean the Act of June 17,  
11   1902 (32 Stat. 388), and all acts amendatory thereof or supplementary thereto.

12                  (d) PROJECT - shall mean the San Juan-Chama Project, Colorado-New  
13   Mexico, the Project authorized by section 8 of the Act of June 13, 1962 (76 Stat. 96 and  
14   97), and the Act of April 11, 1956 (70 Stat. 105).

15                  (e) RESERVOIR STORAGE COMPLEX - shall mean all features, lands,  
16   and rights-of-way of the Project directly associated with the initial collection and storage  
17   of Project water and includes all Project works from enlargement of the outlet of the  
18   existing El Vado Dam upstream to and including and connecting the three diversion dams  
19   on the Rio Blanco and the Little Navajo and Navajo Rivers.

20                  (f) PROJECT WORKS - shall mean all works or facilities constructed,  
21   including diversion works, reservoirs, dams, pipelines, conduits, and outlet works  
22   together with land and rights-of-way for such works.

1 (g) PROJECT WATER - shall mean water available for use through the  
2 Project Works.

3 (h) WATER SUPPLY COSTS - shall mean that portion of Project costs  
4 payable to the United States for the water allocated to Taos Pueblo from the Project.

5 (i) FISCAL YEAR - shall mean the period October 1 through the next  
6 following September 30.

7

8 CONDITIONS

9 2. This contract will give rise to rights and obligations on the part of Taos  
10 Pueblo and the United States, and will become enforceable upon execution by the  
11 Secretary of the United States Department of the Interior or his duly authorized  
12 representative. As set forth in Section 508(b)(2) of Taos Pueblo Indian Water Rights  
13 Settlement Act, if the conditions precedent set forth in section 509(f)(2) of said Act have  
14 not been fulfilled by March 31, 2017, the contract shall expire on that date. WATER

15 DELIVERY PROVISIONS

16 3. (a) The United States agrees to deliver, or make available for delivery, to  
17 Taos Pueblo up to a total of 2,215 acre-feet per year from the San Juan-Chama Project, in  
18 accordance with the provisions of this contract. The point of delivery for San Juan-  
19 Chama Project water shall be the existing outlet works at Heron Reservoir unless  
20 otherwise agreed by both the Contracting Officer and Taos Pueblo.

21 (b) To the extent that delivery of water is made through federal water  
22 resource facilities, Taos Pueblo will reimburse for this service in accordance with the  
23 provisions of Sections 5 and 6 of this contract.

1 (d) Separate contracts for additional water, whether for temporary or  
2 permanent use, as available, may be negotiated by Taos Pueblo with the Bureau of  
3 Reclamation in the future, but they do not constitute any part of the consideration for this  
4 contract.

5 (e) Taos Pueblo shall have no holdover storage rights in Heron Reservoir  
6 from year to year. Any water subject to delivery hereunder not called for by the end of  
7 each calendar year shall become integrated with the water supply for all purposes of the  
8 reservoir at that time.

9 (f) Nothing in this section is intended to impose on the United States any  
10 obligation to maintain the San Juan-Chama Project facilities beyond their useful lives or  
11 to take extraordinary measures to keep these facilities operating.

12

13 TRANSPORTATION LOSSES

14 4. Transportation of water from Heron Dam and Reservoir or other points of  
15 delivery agreed to by both parties shall be the sole responsibility of Taos Pueblo, so that  
16 no conveyance losses, including channel losses, shall be borne by the United States.

17

18 CONSTRUCTION CHARGE OBLIGATION AND REPAYMENT

19 5. (a) Taos Pueblo's proportionate share of the investment costs, including  
20 interest during construction, incurred by the United States in constructing the Reservoir  
21 Storage Complex, and allocated to Taos Pueblo's Project water supply, is \$1,615,317.  
22 The investment costs allocated to Taos Pueblo's water supply includes construction costs  
23 of \$1,442,940 based upon the March 2001 Final Cost Allocation prepared by the Bureau

1 of Reclamation, plus interest during construction of \$172,377 as calculated by the Upper  
2 Colorado Region Financial Group. The interest rate established for repayment of  
3 reimbursable costs of interest-bearing components of the Project is 3.046 percent per  
4 annum.

5 (b) Pursuant to Section 508 (c) of the Taos Pueblo Indian Water Rights  
6 Settlement Act, the Secretary shall waive the entirety of the Pueblo's share of both  
7 construction costs and interest for the San Juan-Chama Project. Pursuant to that waiver,  
8 the Pueblo's share of all investment costs, including construction costs and interest  
9 during construction, for the San Juan- Chama Project, and any interest thereon shall be  
10 non-reimbursable.

11  
12 OPERATION, MAINTENANCE, AND REPLACEMENT COSTS

13 6. (a) The United States shall be responsible for the operation, maintenance,  
14 and replacement (OM&R) of the Reservoir Storage Complex and related facilities. Taos  
15 Pueblo's annual reimbursable OM&R costs shall be 2.302 percent of the total OM&R  
16 costs of the Project (2,215 divided by 96,200). Notice of billings for the next Fiscal  
17 Year's reimbursable OM&R costs will be issued to Taos Pueblo on or before May 1 of  
18 each calendar year, with the first such notice to be issued immediately following the  
19 execution of this Contract. In the event the first notice shall be for costs of service of less  
20 than a full Fiscal Year, such costs shall be prorated for the period covered. Each notice  
21 shall show an itemization of the estimated reimbursable OM&R costs of the Reservoir  
22 Storage Complex, excluding the OM&R cost of El Vado Dam and Reservoir, with the  
23 exception of 27 percent of any replacement costs of the outlet works of said El Vado

1 Dam. Taos Pueblo shall advance its share of the OM&R costs for each Fiscal Year as  
2 follows:

3 (1) One-fourth on or before September 30 of the Fiscal Year  
4 preceding the applicable Fiscal Year.

5 (2) One-fourth on or before December 31 of the applicable Fiscal  
6 Year.

7 (3) One-fourth on or before March 10 of the applicable Fiscal  
8 Year.

9 (4) One-fourth on or before May 10 of the applicable Fiscal year.

10 (b) In the event the OM&R cost estimate falls short of the actual costs in  
11 any period, or whenever it is anticipated by that Contracting Officer that a deficit will  
12 occur during the Fiscal year, supplemental notices requesting additional funds may be  
13 issued by the Contracting Officer. Funds not spent during one Fiscal Year will be carried  
14 over for use during the next Fiscal year with funds required for that Fiscal Year being  
15 reduced accordingly, and an itemized statement of actual costs incurred during the Fiscal  
16 Year shall be furnished to Taos Pueblo.

17 (c) Taos Pueblo is not obligated to pay any portion of the annual OM&R  
18 costs allocated to the fish and wildlife function. Those OM&R costs attributed to the fish  
19 and wildlife function are 9.49 percent of the annual OM&R costs of the Reservoir  
20 Storage Complex, excluding El Vado Dam and Reservoir, based on the March 2001 Final  
21 Cost Allocation.

22

23 WATER RIGHTS - WATER SUPPLY GENERAL

1           7.       (a) Water Shortages - On account of drought or other causes, there may  
2 occur at times during any calendar year a shortage in the quantity of water available from  
3 the Reservoir Storage Complex for use by Taos Pueblo pursuant to this Contract. In no  
4 event shall any liability accrue against the United States or any of its officers or  
5 employees for any damage, direct or indirect, arising out of any such shortage.

6                       (b) Right to Allocate - Taos Pueblo and its agents and assigns shall have  
7 the exclusive right to allocate, use, and dispose of that share of the Project Water supply  
8 available and allocated to them under this Contract. Water may be used or disposed of  
9 for any purpose desired by Taos Pueblo subject to the approval of the Contracting  
10 Officer, and in compliance with applicable state and federal law. Such use or disposal  
11 may be by diverting and applying such water directly from the Rio Grande stream  
12 system, by diverting and applying underground water and utilizing Project Water to  
13 offset the adverse effects of such underground water withdrawals heretofore or hereafter  
14 made from the Rio Grande stream system, or otherwise as Taos Pueblo may desire.

15                      (c) Annual Water Carryover Prohibited - Rights to release of Project  
16 Water allocated to Taos Pueblo by this Contract shall be allowed on a calendar year basis,  
17 and no credits covering any unreleased water shall be allowed to carry over to any  
18 subsequent calendar year.

19                      (d) Return Flow - The parties hereto neither abandon nor relinquish any  
20 of the seepage or return flow water attributable to the use of the Project Water supply.

21                      (e) Other Uses - The Project is authorized for furnishing water for  
22 irrigation and municipal and industrial uses, for providing recreation and fish and wildlife  
23 benefits, and for other beneficial purposes. The supply to be available for Taos Pueblo



1 and the costs payable by Taos Pueblo for a municipal water supply reflect apportionment  
2 among these purposes and regulation of releases.

3 (f) Use and Allotment of Project Water - The Project is designed to  
4 furnish an estimated firm yield from storage for Project use of approximately 96,200  
5 acre-feet of water annually. Of this yield, 2,215 acre-feet shall be available annually to  
6 Taos Pueblo for use under this Contract. The Contracting Officer has the authority and  
7 responsibility for water measurement as set forth in the Accounting of Water report, San  
8 Juan-Chama Project, dated February 1963. During periods of scarcity when the actual  
9 available water supply may be less than the estimated firm yield, Taos Pueblo shall share  
10 in the available water supply in the ratio that the above allocation bears to the firm yield.  
11 In utilizing the available water supply to the extent permitted by law from the water  
12 rights available to the Project, Taos Pueblo shall take its allocation at Heron Dam at the  
13 point designated by the Contracting Officer. The responsibility of the United States shall  
14 cease at this point of delivery. During periods of abundance when the actual water  
15 supply may be more than the estimated firm yield, Taos Pueblo shall have the right to  
16 share in the actual available water supply in the ratio that the allocation above bears to the  
17 estimated firm yield, all as determined by the Contracting Officer. However, any such  
18 water taken above the allocation provided herein shall be pursuant to a separate contract  
19 covering the lease of said surplus water.

## 20 21 SUBCONTRACTING

22 8. (a) When water made available under this contract is not being used by  
23 Taos Pueblo, the Pueblo may subcontract with third parties, subject to the approval of the

1 Secretary in accordance with this section, to supply water for beneficial use outside of the  
2 Pueblo boundaries, subject to and not inconsistent with the same requirements and  
3 conditions of State law, and any applicable Federal law, interstate compact, and  
4 international law as apply to the exercise of water rights held by non-federal, non-Indian  
5 entities; *provided, however*, that nothing in this contract shall be construed to establish,  
6 address, prejudice, or to prevent any party from litigating whether or to what extent any  
7 of the aforementioned laws do or do not permit, govern, or apply to the use of the  
8 Pueblo's water outside the State.

9 (b) Subcontracts made by Taos Pueblo with third parties shall not be less  
10 than one acre-foot and be subject to the provisions of this contract and must include terms  
11 of use, purchase, measurement, operations, and default. A copy of each proposed  
12 subcontract shall be filed with the Contracting Officer and one copy with the New  
13 Mexico Interstate Stream Commission.

14 (c) Section 7(e) of this contract provides that the Secretary has to approve  
15 or disapprove a subcontract within 180 days after submission or 60 days after  
16 compliance with NEPA.

17  
18 (c) Prior to approving any subcontract, the Secretary shall comply with  
19 subsection 102(2)(C) of the National Environmental Policy Act (NEPA) of 1969, 42  
20 U.S.C. § 4332(2)(C). Taos Pueblo will furnish any data and information as may be  
21 required by the Contracting Officer for NEPA compliance documentation. The  
22 Contracting Officer has the authority under the Contributed Funds Act of 1921 (43 USC  
23 §395) to charge any subcontractor for the costs associated with this compliance

1 documentation. The Contracting Officer will coordinate with Taos Pueblo and the  
2 subcontractor throughout the NEPA process, including furnishing copies of all related  
3 documentation.

4 (d) The Secretary shall approve any subcontract submitted by Taos  
5 Pueblo once the Secretary determines that:

6 (1) the diversion and use of water under the subcontract would  
7 comply with applicable state and federal law, including all applicable permitting and  
8 reporting requirements of the New Mexico State Engineer;

9 (2) the sum of the term of the subcontract plus all renewables is no  
10 more than 99 years;

11 (3) the use of water under the subcontract is not inconsistent with  
12 the provisions of the Endangered Species Act or other provisions of federal law designed  
13 to protect the environment;

14 (4) the subcontract is sufficiently specific as to the amount of  
15 water and points of diversion to enable the Contracting Officer to account for the water as  
16 it is diverted; or, in the alternative, that the subcontract reserves the Contracting Officer's  
17 right to review and approve future diversions sought under the subcontract, such review  
18 and approval to be consistent with this contract;

19 (5) the delivery obligations under such subcontract are not  
20 inconsistent with the Secretary's existing San Juan-Chama Project obligations and such  
21 subcontract is in accordance with this section.

(e) Taos Pueblo agrees to include the equal opportunity language as specified in Section 23 of this contract in any subcontract for use of water outside of Pueblo boundaries.

#### TITLE TO PROJECT WORKS

9. Title to all Project Works and facilities shall remain in the United States until otherwise provided by the Congress.

#### COMPLIANCE WITH ACTS OF CONGRESS OF APRIL 11, 1956; JUNE 13, 1962; AND MARCH 26, 1964

10. Construction, care, OM&R of the Project and Project Works, including the allocation, diversion, and distribution of water as authorized by the Federal Reclamation Laws, by the Act of Congress of April 11, 1956 (70 Stat. 105); the Act of Congress of June 13, 1962 (76 Stat. 96); and the Act of Congress of March 26, 1964 (78 Stat. 171), shall be subject to and in conformance with the applicable conditions, limitations, and provisions of these acts and the statutes, compacts, and treaties referenced in said 1956, 1962 and 1964 acts.

#### CHARGES FOR DELINQUENT PAYMENTS

11. (a) Taos Pueblo shall pay penalty charges on delinquent installments or payments. When payment is not received by the due date, the Pueblo shall pay an interest charge for each day the payment is delinquent beyond the due date. When a payment becomes 60 days delinquent, the Pueblo shall pay an administrative charge to cover additional costs of billings and processing the delinquent payment. When a payment is delinquent 90 days or more, the Pueblo shall pay an additional penalty charge of 6.0 percent per year for each day the payment is delinquent beyond the due date. Further, the Pueblo shall pay any fees incurred for debt collection services associated with the delinquent payment.

(b) The interest charge rate shall be the greater of the rate prescribed quarterly in the Federal Register by the Department of the Treasury for application to overdue payments or the interest rate of 0.5 percent per month prescribed by section 6 of the Reclamation Project Act of 1939, 53 Stat. 1191. The interest charge rate shall be determined as of the due date and remain fixed for the duration of the delinquent period.

1 (c) When a partial payment for a delinquent account is received, the  
2 amount received shall be applied first to the penalty, second to the administrative  
3 charges, third to the accrued interest and finally to the overdue payment.  
4

5  
6 GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT  
7

8 12. (a) The obligation of Taos Pueblo to pay the United States as provided in  
9 this Contract is a general obligation of Taos Pueblo notwithstanding the manner in which  
10 the obligation may be distributed among Taos Pueblo's water users and notwithstanding  
11 the default of individual water users in their obligation to Taos Pueblo.

12 (b) The payment of charges becoming due pursuant to this Contract is a  
13 condition precedent to receiving benefits under this Contract. The United States shall not  
14 make water available to Taos Pueblo through San Juan-Chama Project facilities during  
15 any period in which Taos Pueblo is in arrears in the advance payment of any operation  
16 and maintenance charges due the United States or in arrears for more than 12 months in  
17 the payment of any construction charges due the United States. Taos Pueblo shall not  
18 deliver water under the terms and conditions of this Contract for lands or parties that are  
19 in arrears in the advance payment of operation and maintenance charges or in arrears  
20 more than 12 months in the payment of construction charges as levied or established by  
21 Taos Pueblo.  
22

23  
24 EMERGENCY RESERVE FUND  
25

26 13. (a) Commencing on execution of this Contract, Taos Pueblo shall  
27 accumulate and maintain a reserve fund or demonstrate to the satisfaction of the  
28 Contracting Officer that other funds are available for use as an emergency reserve fund.  
29 Taos Pueblo shall establish and maintain that emergency reserve fund to meet costs  
30 incurred during periods of special stress caused by damaging droughts, storms,  
31 earthquakes, floods, or other emergencies threatening or causing interruption of water  
32 service.

33 (b) Taos Pueblo shall accumulate the reserve fund with annual deposits or  
34 investments of not less than \$6,096 to a Federally insured, interest- or dividend-bearing  
35 account or in securities guaranteed by the Federal Government: *Provided, That* money in  
36 the reserve fund, including accrued interest, shall be available within a reasonable time to  
37 meet expenses for such purposes as those identified in paragraph (d) herein. Such annual  
38 deposits and the accumulation of interest to the reserve fund shall continue until the basic  
39 amount of \$30,478 is accumulated. Following an emergency expenditure from the fund,  
40 the annual deposits shall continue from the year following the emergency expenditure  
41 until the previous balance is restored. After the initial amount is accumulated or after the  
42 previous balance is restored, the annual deposits may be discontinued, and the interest  
43 earnings shall continue to accumulate and be retained as part of the reserve fund.

44 (c) Upon mutual agreement between Taos Pueblo and the Contracting  
45 Officer, the basic reserve fund or the accumulated reserve fund may be adjusted to  
46 account for risk and uncertainty stemming from the size and complexity of the project;

1 the size of the annual operation and maintenance budget; additions to, deletions from, or  
2 changes in project works; and operation and maintenance costs not contemplated when  
3 this Contract was executed.

4 (d) Taos Pueblo may make expenditures from the reserve fund only for  
5 meeting usual operation and maintenance costs incurred during periods of special stress,  
6 as described in paragraph (a) herein; or for meeting unforeseen extraordinary operation  
7 and maintenance costs; or for meeting unusual or extraordinary repair or replacement  
8 costs; or for meeting betterment costs (in situations where recurrence of severe problems  
9 can be eliminated) during periods of special stress. Proposed expenditures from the fund  
10 shall be submitted to the Contracting Officer in writing for review and written approval  
11 prior to disbursement. Whenever the reserve fund is reduced below the current balance  
12 by expenditures there from, Taos Pueblo shall restore that balance by the accumulation of  
13 annual deposits as specified in paragraph (b) herein.

14 (e) During any period in which any of the project works are operated and  
15 maintained by the United States, Taos Pueblo agrees the reserve fund shall be available  
16 for like use by the United States.

17 (f) On or before December 31 of each year, Taos Pueblo shall provide a  
18 current statement of the principal and accumulated interest of the reserve fund account to  
19 the Contracting Officer.

20 (g) The emergency reserve fund may be held as a subset of a larger  
21 reserve fund established by Taos Pueblo to meet costs resulting from extraordinary  
22 circumstances. At no time shall such larger reserve fund be reduced to an amount less  
23 than the amount required by this Contract for emergency reserve funds. The terms of this  
24 article apply only to the emergency reserve funds required by this Contract.

## 25 26 27 NOTICES 28

29 14. Any notice, demand, or request authorized or required by this Contract  
30 shall be deemed to have been given, on behalf of Taos Pueblo, when mailed, postage  
31 prepaid, or delivered to the Regional Director, Upper Colorado Region, Bureau of  
32 Reclamation, 125 South State Street, Room 6107, Salt Lake City, Utah 84138-1102, and  
33 on behalf of the United States, when mailed, postage prepaid, or delivered to the  
34 \_\_\_\_\_, of Taos Pueblo, \_\_\_\_\_,  
35 \_\_\_\_\_. The designation of the addressee or the address may be changed  
36 by notice given in the same manner as provided in this article for other notices.  
37  
38

## 39 CONTINGENT UPON APPROPRIATION OR ALLOTMENT OF FUNDS 40

41 15. The expenditure or advance of any money or the performance of any  
42 obligation by the United States under this Contract shall be contingent upon appropriation  
43 or allotment of funds. Absence of appropriation or allotment of funds shall not relieve  
44 Taos Pueblo from any obligations under this Contract. No liability shall accrue to the  
45 United States in case funds are not appropriated or allotted.  
46

1  
2 OFFICIALS NOT TO BENEFIT  
3

4 16. No Member of or Delegate to the Congress, Resident Commissioner, or  
5 official of Taos Pueblo shall benefit from this Contract, or any subcontract, other than as  
6 a water user or landowner in the same manner as other water users or landowners.  
7  
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10  
11 CHANGES IN CONTRACTOR'S ORGANIZATION  
12

13 17. While this contract is in effect, no change may be made in the Contractor's  
14 organization, by dissolution, consolidation, merger or otherwise, except upon the  
15 Contracting Officer's written consent, unless all obligations of the Contractor under this  
16 contract have been satisfied, or provision has been made for the satisfaction of all such  
17 obligations.  
18  
19

20 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED  
21

22 18. The provisions of this Contract shall apply to and bind the successors and  
23 assigns of the parties hereto, but no assignment or transfer of this Contract or any right or  
24 interest therein by either party shall be valid until approved in writing by the other party.  
25  
26

27 BOOKS, RECORDS, AND REPORTS  
28

29 19. Taos Pueblo shall establish and maintain accounts and other books and  
30 records pertaining to administration of the terms and conditions of this Contract,  
31 including Taos Pueblo's financial transactions; water supply data and water-use data; and  
32 other matters that the Contracting Officer may require. Reports shall be furnished to the  
33 Contracting Officer in such form and on such date or dates as the Contracting Officer  
34 may require. Subject to applicable Federal laws and regulations, each party to this  
35 Contract shall have the right during office hours to examine and make copies of the other  
36 party's books and records relating to matters covered by this Contract.  
37  
38

39 RULES, REGULATIONS, AND DETERMINATIONS  
40

41 20. (a) The parties agree that the delivery of water or the use of Federal  
42 facilities pursuant to this Contract is subject to Federal reclamation law, as amended and  
43 supplemented, and the rules and regulations promulgated by the Secretary of the Interior  
44 under Federal reclamation law.

45 (b) The Contracting Officer shall have the right to make determinations  
46 necessary to administer this Contract that are consistent with the expressed and implied

1 provisions of this Contract, the laws of the United States and the State of New Mexico,  
2 and the rules and regulations promulgated by the Secretary of the Interior. Such  
3 determinations shall be made in consultation with Taos Pueblo.  
4

#### 5 6 PROTECTION OF WATER AND AIR QUALITY 7

8 21. (a) Project facilities used to make available and deliver water to Taos  
9 Pueblo shall be operated and maintained in the most practical manner to maintain the  
10 quality of the water at the highest level possible as determined by the Contracting  
11 Officer: Provided, That the United States does not warrant the quality of the water  
12 delivered to Taos Pueblo and is under no obligation to furnish or construct water  
13 treatment facilities to maintain or improve the quality of water delivered to Taos Pueblo.  
14

15 (b) Taos Pueblo shall comply with all applicable water and air pollution  
16 laws and regulations of the United States and the State of New Mexico; and shall obtain  
17 all required permits or licenses from the appropriate Federal, State, or local authorities  
18 necessary for the delivery of water by Taos Pueblo; and shall be responsible for  
19 compliance with all Federal, State, and local water quality standards applicable to surface  
20 and subsurface drainage and/or discharges generated through the use of Federal or Taos  
21 Pueblo facilities or project water provided by Taos Pueblo within Taos Pueblo's Project  
22 Water Service Area.

23 (c) This article shall not affect or alter any legal obligations of the  
24 Secretary to provide drainage or other discharge services.  
25

#### 26 WATER CONSERVATION 27

28 22. Prior to the delivery of water provided from or conveyed through federally  
29 constructed or federally financed facilities pursuant to this Contract, Taos Pueblo shall  
30 develop a water conservation plan, as required by Section 210(b) of the Reclamation  
31 Reform Act of 1982 (RRA) and Part 427.1 of the Water Conservation Rules and  
32 Regulations effective January 1, 1998.  
33  
34

#### 35 INDIAN EMPLOYMENT – EQUAL EMPLOYMENT OPPORTUNITY 36

37 23. (a) In accordance with the provisions of Title 42 U.S.C. 2000-e-2(i), the  
38 Pueblo shall give preference in employment to Indian members of Taos Pueblo. The  
39 Bureau of Indian Affairs Office of Employment Assistance shall be notified of  
40 employment opportunities 48 hours before any positions are advertised to the general  
41 public.

42 (b) Except as provided above, during the performance of this contract the  
43 Pueblo agrees as follows:

44 (1) The Pueblo will not discriminate against any employee or  
45 applicant for employment because of race, color, religion, sex, disability, or national  
46 origin. The Pueblo will take affirmative action to ensure that applicants are employed,



1 and that employees are treated during employment, without regard to their race, color,  
2 religion, sex, disability, or national origin. Such action shall include, but not be limited to  
3 the following: employment, upgrading, demotion, or transfer; recruitment or recruitment  
4 advertising; layoff or termination; rates of pay or other forms of compensation; and  
5 selection for training, including apprenticeship. The Pueblo agrees to post in conspicuous  
6 places, available to employees and applicants for employment, notices to be provided by  
7 the Contracting Officer setting forth the provisions of this nondiscrimination clause.

8 (2) The Pueblo will, in all solicitations or advertisements for  
9 employees placed by or on behalf of the Pueblo, state that all qualified applicants will  
10 receive consideration for employment without regard to race, color, religion, sex,  
11 disability, or national origin.

12 (3) The Pueblo will send to each labor union or representative of  
13 workers with which it has a collective bargaining agreement or other contract or  
14 understanding, a notice, to be provided by the Contracting Officer, advising the labor  
15 union or workers' representative of the Pueblo's commitments under Section 202 of  
16 Executive Order 11246 of September 24, 1965, and shall post copies of the notice in  
17 conspicuous places available to employees and applicants for employment.

18 (4) The Pueblo will comply with all provisions of Executive Order  
19 No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the  
20 Secretary of Labor.

21 (5) The Pueblo will furnish all information and reports required by  
22 Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders  
23 of the Secretary of Labor, or pursuant thereto, and will permit access to his books,  
24 records, and accounts by the Contracting Agency and the Secretary of Labor for purposes  
25 of investigation to ascertain compliance with such rules, regulations, and orders.

26 (6) In the event of the Pueblo's noncompliance with the  
27 nondiscrimination clauses of this contract or with any of such rules, regulations, or  
28 orders, this contract may be canceled, terminated or suspended in whole or in part and the  
29 Pueblo may be declared ineligible for further Government contracts in accordance with  
30 procedures authorized in Executive Order 11246 of September 24, 1965, and such other  
31 sanctions may be imposed and remedies invoked as provided in Executive Order 11246  
32 of September 24, 1965 or by rule, regulation, or order of the Secretary of Labor, or as  
33 otherwise provided by law.

34 (7) The Pueblo will include the provisions of paragraphs (1)  
35 through (7), modified to refer to the party to be bound, in every subcontract or purchase  
36 order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued  
37 pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such  
38 provisions will be binding upon each subcontractor or vendor. The Pueblo will take such  
39 action with respect to any subcontract or purchase order as may be directed by the  
40 Secretary of Labor as a means of enforcing such provisions, including sanctions for  
41 noncompliance: *Provided, however*, that in the event the Pueblo becomes involved in, or  
42 is threatened with, litigation with a subcontractor or vendor as a result of such direction,  
43 the Pueblo may request the United States to enter into such litigation to protect the  
44 interests of the United States.

1                    COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

2  
3            24.     (a) Taos Pueblo shall comply with Title VI of the Civil Rights Act of  
4 1964 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112, as  
5 amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101, *et seq.*), Title II of the  
6 Americans with Disabilities Act of 1990, and any other applicable civil rights laws, as  
7 well as with their respective implementing regulations and guidelines imposed by the  
8 U.S. Department of the Interior and/or Bureau of Reclamation.

9                    (b) These statutes require that no person in the United States shall be  
10 excluded from participation in, be denied the benefits of, or be otherwise subjected to  
11 discrimination under any program or activity receiving financial assistance from the  
12 Bureau of Reclamation on the grounds of race, color, national origin, disability, or age.  
13 By executing this Contract, Taos Pueblo agrees to immediately take any measures  
14 necessary to implement this obligation, including permitting officials of the United States  
15 to inspect premises, programs, and documents.

16                    (c) Taos Pueblo makes this agreement in consideration of and for the  
17 purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or  
18 other Federal financial assistance extended after the date hereof to Taos Pueblo by the  
19 Bureau of Reclamation, including installment payments after such date on account of  
20 arrangements for Federal financial assistance which were approved before such date.  
21 Taos Pueblo recognizes and agrees that such Federal assistance will be extended in  
22 reliance on the representations and agreements made in this article and that the United  
23 States reserves the right to seek judicial enforcement thereof.

24                    (d) Complaints of discrimination against Taos Pueblo shall be  
25 investigated by the Contracting Officer's Office of Civil Rights.  
26  
27

28                    MEDIUM FOR TRANSMITTING PAYMENTS

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30            25.     (a) All payments from Taos Pueblo to the United States under this  
31 Contract shall be by the medium requested by the United States on or before the date  
32 payment is due. The required method of payment may include checks, wire transfers, or  
33 other types of payment specified by the United States.

34                    (b) Upon execution of the Contract, Taos Pueblo shall furnish the  
35 Contracting Officer with Taos Pueblo's taxpayer's identification number (TIN). The  
36 purpose for requiring Taos Pueblo's TIN is for collecting and reporting any delinquent  
37 amounts arising out Taos Pueblo's relationship with the United States.  
38  
39

40                    CONTRACT DRAFTING CONSIDERATIONS

41  
42            26.     Articles 1 through 8 of this Contract have been drafted, negotiated, and  
43 reviewed by the parties hereto, each of whom is sophisticated in the matters to which this  
44 Contract pertains, and no one party shall be considered to have drafted the stated articles.  
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(b) If there is a condition of shortage because of errors in physical operations of the Project, drought, other physical causes beyond the control of the Contracting Officer or actions taken by the Contracting Officer to meet current and future legal obligations, then no liability shall accrue against the United States or any of its officers, agents, or employees for damage, direct or indirect, arising therefrom.

1           IN WITNESS WHEREOF, the parties hereto have signed their names the day and  
2   year first above written.

3  
4                                   THE UNITED STATES OF AMERICA

5  
6  
7                                   By \_\_\_\_\_  
8                                   Regional Director, Upper Colorado Region  
9                                   Bureau of Reclamation

10  
11   APPROVED:

12  
13  
14   \_\_\_\_\_  
15   Regional Solicitor

16  
17  
18                                   TAOS PUEBLO

19  
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21                                   By: \_\_\_\_\_

22  
23   ATTESTED:

24  
25  
26   \_\_\_\_\_